



**2009 Home Energy Conservation Program
File Monitoring Services**

REQUEST FOR PROPOSALS (RFP)

June 18, 2009

Indiana Housing and Community Development Authority

30 South Meridian Street, Suite 1000

Indianapolis, IN 46204

SUMMARY AND BACKGROUND

The federal *Weatherization Assistance Program for Low- Income Persons* (WAP), established by the Energy Conservation in Existing Buildings Act of 1976, is intended to improve the lives of low-income individuals and families by investing in weatherization activities that reduce overall residential expenditures, increase energy efficiencies in the home, and improve the health and safety of persons who are particularly vulnerable, such as elderly, persons with disabilities, families with children, high residential users, and households with high energy burden.

The Weatherization program has been assigned a significant role in the American Recovery and Reinvestment Act of 2009 (ARRA). Over the next two years, the U.S. Department of Energy (DOE) will allocate more than \$130 million to IHCD for weatherization activities in Indiana through the *Indiana Home Energy Conservation Program* ('HEC' or 'Program'). As a direct grantee, and the State of Indiana's administrative entity, IHCD is responsible to provide DOE with a clear strategy for ensuring Program funds are expended as effectively and efficiently as possible, with a minimum of waste, fraud, error or abuse. On May 12, 2009, IHCD submitted its Program plan to the DOE. The plan, available for viewing on the IHCD website, identifies the 30 sub-grantees selected to launch the HEC Program and their combined strategies to weatherize 30,000 homes between now and March 31, 2011.

The successful execution of this Program is a critical part of achieving the goals in the Act. Therefore, Indiana Housing and Community Development Authority (IHCD) is requesting proposals from qualified organizations with demonstrated experience in program evaluation, document review, and government programs to monitor up to 1500 HEC program client files per contract year to ensure compliance with all applicable State, Federal and administrative laws.

ABOUT IHCD

IHCD is a quasi-state sub-grantee, created by Indiana statute in 1978 to ensure all Hoosiers have access to safe, decent, affordable housing. IHCD partners with the federal government, public and private non-profit housing developers and local units of government to fund, construct or rehab houses, apartments and shelters throughout the State. IHCD funds entities that are working to end homelessness, create communities of choice, provide opportunities for seniors to age in place, demonstrate energy conservation, and stabilize housing markets.

Additional information on the sub-grantee and its programs is available at our website, at www.in.gov/IHCD.

REQUEST FOR PROPOSALS

Indiana Housing and Community Development Authority (IHCD) is requesting proposals from qualified organizations with demonstrated experience with monitoring federal programs to ensure program activities are in compliance with all program requirements, evaluate the energy efficiency/effectiveness of the activities, and provide corrective technical assistance services to program recipients. Experience with reviewing client files, evaluating processes and procedures, creating program reports and conducting training and technical assistance will be acceptable. Respondents will be required to monitor up to 1500 client files during a twelve-month period.

This request for proposals (RFP) process is competitive; therefore, successful proposals will thoroughly and concisely address and document the following topics:

- Experience with monitoring for project compliance.
- Experience with administering federally funded programs.
- Experience with housing, construction, rehabilitation, energy efficiency, weatherization, energy conservation or local, state or federal units of government.
- Ability to complete the project within the allotted timeframe.
- Capacity of the organization to administer project funds.
- Ability to identify deficiencies, provide correction and enforce program requirements.
- Required resources to successfully monitor client files.

ELIGIBLE APPLICANTS

For-profit and not-for-profit entities, as established by Indiana statutes, are eligible to apply for funding.

ELIGIBLE ACTIVITIES

The purpose of HEC Program monitoring is to ensure that weatherization services are provided in a professional manner and in compliance with all standards, regulations and policies set forth by IHCD and the U.S. Department of Energy. The local sub-grantee is responsible for quality control on all completed units and the final inspection completed by certified staff attests to the level of quality, professionalism, and appropriateness of the measures installed. The selected Contractor will perform any and all tasks relevant to assessing the documentation of client files of ten percent of all assigned weatherization projects completed during the specified contract period.

STANDARDS AND PRACTICES

The following describes the practices of the monitoring staff in reviewing the appropriate documentation to determine local sub-grantee compliance. IHCD staff may use alternate procedures to verify compliance when it is necessary or appropriate.

- Client File Review - Each sub-grantee must verify that clients receiving weatherization services are income eligible and were income eligible during the time in which they received weatherization services. The sub-grantee must also document services provided to the client and all costs associated with the completion of those services.

Ten percent (10%) of all client files will be selected at random from sub-grantee records, and a Client File Review worksheet will be completed for each file selected. The review will consist of job number, income documentation, application dates, job costs, dwelling type, technical readings from diagnostic tests performed, and the presence of all appropriate forms and signatures. Monitors will also review files for correct documentation of client education activities, material standards/specifications, work specifications, unsafe conditions/proper client

notification (i.e., carbon monoxide, lead), energy audits, client income eligibility, the rental/landlord agreement, and any and all appropriate client signatures.

- Fiscal Review - As part of the review, the Contractor will randomly select files for fiscal testing. During this process, the contractor will check to ensure contractors are paid in a reasonable period of time, costs were charged to various grants appropriately, and claim submissions have appropriate backup and charges are appropriate.
- Training and Technical Assistance (T&TA) – The Contracting firm will provide T & TA to agencies to strengthen file documentation processes. When recommended, consultations can occur via phone, email, or in an on-site visit on a daily basis, and should be scheduled in advance when possible.
- Corrective Action – The Contractor is expected to analyze and document all file deficiencies in sub-grantee implementation of all applicable laws, regulations, policies and guidance. An exit conference will be held at the end of each monitoring visit and will be attended by the sub-grantee executive staff and the Contractor. This conference will verbally summarize findings or recommendations to the sub-grantee that were discovered during the review period.
- Reporting – The Contractor is expected to prepare monitoring reports which identify findings and necessary corrections, and which may include a review of reports and files relative to previous monitoring visits. The contractor will be responsible to schedule all monitoring follow-up activities, including all correspondence and meetings.
- Tracking System - The Contractor will develop a tracking system to determine if appropriate corrective actions were completed in a timely manner and appropriate reports filed, and to keep IHCDa informed of sub-grantee progress.

ELIGIBLE COSTS

Applicants must submit a detailed schedule of costs for which the monitoring services, including reports, will be provided. The all-inclusive fee structure must include the estimated number of hours per task, salary per hour per job classification, fringe rate, training costs, including travel costs. All of the above may be included in a flat fee.

CONTRACTOR TRAINING

Once a contract is awarded, Home Energy Conservation staff will provide training to the Contractor on weatherization procedures and policies, scope of the monitoring activities and other information pertinent to the contract.

In order to assist the Contractor in preparing for and implementing monitoring activities, IHCDa will provide updates on all contract-related requirements on an ongoing-basis.

PROGRAM PERIOD

All monitoring services for this contract must be completed by May 31, 2010.

PERIOD OF PERFORMANCE

The contract awarded shall be for a one year period with the option to extend the contract for two additional one-year periods based on need, performance, and funding availability.

PAYMENT TERMS

The respondent awarded the contract will submit an invoice for progress payments by the 10th day of the month for the compliance reports submitted. Reimbursements will be made within a 30 day period. Late or incorrect reports will delay the payment schedule.

PROPOSAL DUE DATE

All proposals are due to IHCDA by 5:00 p.m. EDT on Friday, July 17, 2009. Applicants will receive acknowledgement of receipt by close of business on Monday, July 20, 2009.

SUBMISSION PROCESS

The following information shall be included in all proposals:

Title: **HOME ENERGY CONSERVATION FILE MONITORING SERVICES PLAN**

Section 1: Organizational Information

1. Describe your organization, including origin, structure and current operations.
2. Describe your organization's qualifications, including at least three years' experience in providing similar services and expertise in the field of energy efficiency.

Section 2: Service Delivery Plan

1. Describe your plan to effectively monitor sub-grantee weatherization activities.
 - a. Provide a list of the counties or other geographic areas your organization will serve.
 - b. Explain how your organization will schedule and conduct the on-site monitoring visits of sub-grantee programs.
 - c. Describe the process for preparing and issuing comprehensive narrative reports of monitoring visits, monitoring activities, findings, recommendations for corrective actions, and follow-up reports. Include a timeline for this process.
 - d. Describe the process for conducting follow-up activities to determine whether appropriate corrective actions were completed and documented.

- e. Explain how recommendations for technical assistance, where appropriate, will be provided.
 - f. Provide a detailed service delivery timeline, with benchmarks, to ensure project completion by the end of the program timeframe.
2. Provide information about personnel assigned to conduct monitoring activities, including each person's name and designation of title, the education level and work experience of each, a description of the functions each will perform, and an estimate of how much time each will spend on the assignment.
3. Provide references from three recent clients.
 - a. Include client contact information (organization name, address, telephone, and email address of the primary contact at the organization). Employees and outsourcing contacts of the organization may not be listed as references.
 - b. Include a brief summary of the project for which your organization was enlisted and the nature of the relationship with the client.

Section 3: Projected Budget

1. Provide a complete line-item budget and an accompanying budget narrative for each anticipated project expense listed below. Include the following components:
 - a. The annual time commitment and eligible costs for each position associated with the monitoring activities, including fringe benefits. Explain how fringe benefits rates were computed.
 - b. All anticipated outsourcing expenses, if any, which are necessary to complete the contract. *Note: all outsourcing by the Contract Monitor must be pre-approved by IHCD.*
 - c. Projected travel costs for all related personnel.
 - d. All indirect and direct administrative expenses, including overhead, training costs, etc.
 - e. Any additional anticipated expenses and rationale.

SELECTION CRITERIA

Section 1: Organizational Information

- Demonstrated organizational knowledge of and/or successful experience with administering or evaluating federal, state or benefit programs, such as Section 8, TANF, Medicaid, LIHEAP, Weatherization, or WIC.
- Demonstrated organizational knowledge of and experience with auditing public benefit programs, such as those listed above, in accordance with accepted audit practices and principles, as indicated in OMB Circulars A-87 and A-122.

- Evidence of the organization's capacity to administer federal funds, as indicated by a successful experience working with, or for, local, state or federal units of government or administration.

Section 2: Service Delivery Plan

- Resource organization and allocation strategy is sufficient to ensure the successful completion of the required volume of monitoring in the allotted time period.
- Monitoring strategy is sufficient to ensure all monitoring activities are completed correctly, completely, and in accordance with applicable regulations and program requirements.
- Strategy to evaluate, communicate and report HEC activities is sufficient to ensure all contracted entities are aware of, and responsive, to technical expectations.

Section 3: Projected Budget

- The budgeted resources, cost centers, expense amounts are appropriate for identified activities and are sufficient to initiate and complete all monitoring activities within the required timeframe.

SUBMISSION FORMAT

The application package consists of one original proposal, three copies and a CD. The deadline for accepting applications is 5:00 PM, Indianapolis time, on **July 17, 2009**. Mail all information to the following address:

Indiana Housing & Community Development Authority
30 S. Meridian Street, Suite 1000
Indianapolis, IN 46204
Attention: HEC File Monitoring Services Proposal

Late applications will not be considered. A complete application package consists of the items listed below. Applications received without all of the items will be considered incomplete. Incomplete applications will be withdrawn from the review process and returned to the applicant.

- **Page layout** requirements: Standard business narrative (8.5" x 11", portrait orientation, 2-sided, 11 point font, 1.5 line spacing, 1-inch margins on all sides).
- **Cover sheet** on organizational letterhead that includes the contact information for the organization and its primary contact person. (1 page)
- **Narrative proposal** that includes the following:
 - a. Section 1: Organizational Information – response to items listed in Section 1 (up to 3 pages).

- b. Section 2: Service Delivery Plan - response to items listed in Section 2 (up to 10 pages).
- c. Section 3: Projected Budget - response to items listed in Section 3 (up to 3 pages).
- **Attachments**
 - a. Three years consecutive audited financial statements, with management reports.
 - b. Resumes of executives, principals, and key project staff of the primary organization and the project management team.
 - c. Minimum of three references, as indicated in Section 1.
 - d. Detailed timeline and benchmarks to ensure completion at the end of program period as established by DOE.

SUBMISSION CONDITIONS

The signed RFP response is a binding proposal to IHCD, and IHCD has the right to rely on the representations made by the organization. The proposal may be withdrawn by the organization any time before the July 17, 2009 due date by written request, delivered to IHCD and signed by a person authorized to bind the organization in the matter. This would include the person's name, telephone number, email address and fax number.

The organization shall notify IHCD immediately if conflicts or ambiguities in this RFP are discovered. The cost of developing and submitting the proposal is entirely the responsibility of the respondent. This includes costs to determine the nature of the engagement, preparation of the proposal, submitting the proposal, negotiating the contract and other costs associated with responding to the RFP. All responses will become the property of IHCD and will be a matter of public record subsequent to signing of the contract or rejection of all bids.

From the closing date of this RFP until a contractor is selected and the selection is announced, firms responding to RFP are not allowed to communicate with any IHCD employee regarding this subject matter except through the Contracting Officer named herein. For violation of this provision, the State shall reserve the right to reject the proposal of the offending vendor.

All questions concerning this RFP must be submitted in writing (e-mail preferred, fax accepted) to the Contracting Officer via email at iwx@IHCD.in.gov or faxed to 317-232-7778. Responses to questions will be posted within 48 hours upon receipt. No questions other than those submitted in writing will be accepted. No response other than those in writing will be binding upon the State.

PROPOSAL SELECTION POLICY

Proposals will be reviewed on July 31, 2009. Consideration of proposals will be focused upon, but not limited to: a) compliance with the terms, conditions and provisions of the RFP; b) the

adequacy and completeness of the organization's proposal, and c) results of contacts with references supplied by the applicant. Other measures may be established for review and evaluation of the proposals.

IHCDA reserves the right to request additional information as needed from any organization, but is not obligated to request such additional information. IHCDA reserves the right to reject any or all proposals, or portions of proposals, or to waive any deviation in any proposal.

The award shall be made in the best interest of IHCDA as determined by the professional judgment of IHCDA's Board, Executive Director, and professional staff. A point system will be used for this evaluation.

Each reviewer will independently review and score proposals on a 100-point scale, using the following assigned weights:

Respondent Information (35 points)

- a. Relevant past performance. Applicants must provide documentation of at least three years experience in at least two of the following areas of expertise:
 - a. administering or evaluating federal, state or benefit programs,
 - b. auditing public benefit programs,
 - c. inspecting housing units, or
 - d. energy conservation programs and practices.

Program Design (40 points)

The proposal demonstrates the overall need and program rationale as evidenced by providing the following:

- a. A clear and concise commitment statement and
- b. A well detailed plan and timeline that clearly define how the contractor will implement and complete the scope of work.

Budget (25 points)

Budget documents consist of accurate and complete budget summary and a budget narrative justification. Respondent's proposed budget must provide:

- a. A reasonable and appropriate cost for the scope and nature of the program, and
- b. A budget narrative justification that is detailed and sufficient to demonstrate the link between the requested funds and the program description/approach being proposed.

APPEALS POLICY

The IHCD A Appeals Policy, approved by the Board of Directors on May 28, 2009, is available upon request. Inquiries must be submitted in writing within 10 days of notification of contractor selection to:

IHCDA
30 S. Meridian Street, Suite #1000
Indianapolis, Indiana 46204
Attention: Home Energy Conservation Program Administrator

AWARD AND FORM OF AGREEMENT

Funding recommendations will be reviewed and voted on by the IHCD A board of directors on Thursday, August 27, 2009. Contractors will be notified in writing of the board's decision by close of business on Friday, August 28, 2009.

Selected contractors will be required to enter into a grant agreement with IHCD A. The grant agreement shall require the contracting organization to abide by all certifications, assurances, statutes, regulations, rules and procedures governing the Indiana Home Energy Conservation Program, including, but not limited to, the following:

- Grant Award Notification
- Signature Authorization Form
- Sub-grantee Conditions for "High Risk" Sub-grantee
- Civil Rights Certification
- Certification Regarding Lobbying
- Certification of a Drug Free Workplace